



Rep. Jack D. Franks

Filed: 2/8/2006

09400HB4205ham001

LRB094 14229 LCT 55708 a

1 AMENDMENT TO HOUSE BILL 4205

2 AMENDMENT NO. _____. Amend House Bill 4205 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by changing and renumbering Section
6 2QQ, as added by Public Act 93-945, as follows:

7 (815 ILCS 505/2SS)

8 Sec. 2SS ~~2QQ~~. Gift certificates.

9 (a) "Gift certificate" means a record evidencing a promise,
10 made for consideration, by the seller or issuer of the record
11 that goods or services will be provided to the holder of the
12 record for the value shown in the record and includes, but is
13 not limited to, a record that contains a microprocessor chip,
14 magnetic stripe or other means for the storage of information
15 that is prefunded and for which the value is decremented upon
16 each use, a gift card, an electronic gift card, stored-value
17 card or certificate, a store card or a similar record or card.
18 For purposes of this Act, the term "gift certificate" does not
19 include any of the following:

20 (i) prepaid telecommunications and technology cards
21 including, but not limited to, prepaid telephone calling
22 cards, prepaid technical support cards, and prepaid
23 Internet disks that are distributed to or purchased by a
24 consumer;

1 (ii) prepaid telecommunications and technology cards
2 including, but not limited to, prepaid telephone calling
3 cards, prepaid technical support cards, and prepaid
4 Internet disks that are provided to a consumer pursuant to
5 any award, loyalty, or promotion program without any money
6 or other thing of value being given in exchange for the
7 card; or

8 (iii) any gift certificate usable with multiple
9 sellers of goods or services.

10 (b) On or after January 1, 2007, no person shall sell a
11 gift certificate that is subject to: (1) an expiration date; or
12 (2) a post-purchase fee. Any gift certificate issued prior to
13 January 1, 2007 that is subject to a fee must contain a
14 statement clearly and conspicuously printed on the gift
15 certificate stating whether there is a fee, the amount of the
16 fee, how often the fee will occur, that the fee is triggered by
17 inactivity of the gift certificate, and at what point the fee
18 will be charged. The statement may appear on the front or back
19 of the gift certificate in a location where it is visible to
20 any purchaser prior to the purchase.

21 (c) The face value of a gift certificate issued on or after
22 January 1, 2007 may not be reduced in value and the holder of a
23 gift certificate issued after January 1, 2007 may not be
24 penalized in any way for non-use or untimely redemption of the
25 gift certificate. Any gift certificate issued prior to January
26 1, 2007 that is subject to an expiration date must contain a
27 statement clearly and conspicuously printed on the gift
28 certificate stating the expiration date. The statement may
29 appear on the front or back of the gift certificate in a
30 location where it is visible to any purchaser prior to the
31 purchase.

32 (d) Subsection (c) does not apply to any gift certificate
33 issued prior to January 1, 2007 that contains a toll free phone
34 number and a statement clearly and conspicuously printed on the

1 gift certificate stating that holders can call the toll free
2 number to find out the balance on the gift certificate, if
3 applicable, and the expiration date. The toll free number and
4 statement may appear on the front or back of the gift
5 certificate in a location where it is visible to any purchaser
6 prior to the purchase.

7 (e) This Section does not apply to any of the following
8 gift certificates:

9 (i) Gift certificates that are distributed by the
10 issuer to a consumer pursuant to an awards, loyalty, or
11 promotional program without any money or thing of value
12 being given in direct exchange or solely for the gift
13 certificate by the consumer.

14 (ii) Gift certificates that are sold below face value
15 at a volume discount to employers or to nonprofit and
16 charitable organizations for fundraising purposes if the
17 expiration date on those gift certificates is not more than
18 30 days after the date of sale.

19 (iii) Gift certificates that are issued for a food
20 product.

21 (Source: P.A. 93-945, eff. 1-1-05; revised 11-10-04.)".